

PUBLIC EMPLOYEES' RETIREMENT FUND MY CHOICE PLAN

MEMBER HANDBOOK

**FOR STATE OF INDIANA
EMPLOYEES**



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Overview



The Public Employees' Retirement Fund (PERF) My Choice: Retirement Savings Plan was previously known as the ASA Only Plan.

1.1 Administration of System and Funds

Indiana Public Retirement System (INPRS) administers 11 pension trust funds consisting of eight defined benefit and three defined contribution retirement funds, one other postemployment benefit fund, and one custodial fund. In accordance with Indiana Code (IC) 5-10.5, INPRS is governed by a nine-member Board of Trustees, appointed by the Governor.

Legislation approving the merging of the administration of funds for the Public Employees' Retirement Fund (PERF), which managed the following:

- Public Employees' Retirement Fund (PERF)
- Prosecuting Attorneys' Retirement Fund (PARF)
- 1977 Police Officers' and Firefighters' Retirement Fund ('77 Fund)
- Legislators' Retirement System (LRS)
- Judges' Retirement System (JRS)
- Excise, Gaming and Conservation Officers' Retirement Plan (EG&C)

and the Teachers' Retirement Fund (TRF) was adopted by the General Assembly and signed by the Governor in April 2011. The creation of the Indiana Public Retirement System (INPRS) became effective July 1, 2011. Combined membership totals equal nearly 500,000 members.

Each retirement fund will continue as a separate fund under the oversight of a combined INPRS nine-member Board of Trustees. Individual funded status for each plan will continue to be calculated separately.

INPRS also oversees three non-retirement funds:

- Special Death Benefit Fund (SDBF) - Effective July 1, 2017, the State Employees' Death Benefit Fund, Public Safety Officers' Benefit Fund, and the lump sum distributions for the line of duty deaths from the Local Public Safety Pension Relief Fund were merged together to form the Special Death Benefit Fund. The lump sum distributions from the SDBF is \$150,000 for public safety officers or other eligible officers (as defined by IC 5-10-10-4.5) who die in the line of duty before July 1, 2020. For public safety officers who die in the line of duty on July 1, 2020 or later, the amount of the special death benefit is \$225,000.
- Local Public Safety Pension Relief Fund (LPSPR) - LPSPR is a fiduciary fund and is generally administered in accordance with [IC 5-10.3](#) and [IC 36-8](#). The purpose is to provide financial relief to pension funds maintained by units of local government for their police officers' and firefighters' retirement plan benefits.
- Retirement Medical Benefits Account (RMBA) – RMBA is a health reimbursement account available to certain qualifying state retirees.

For additional information about each fund visit the [Annual Reports](#) page of the INPRS website.

1.2 Vision

Engaged members able to realize their retirement dreams.

1.3 Mission

As fiduciaries, educate stakeholders, collect necessary contributions, and prudently manage member assets to deliver promised DB and DC benefits and services.

1.4 Principles

- **Integrity:** We hold ourselves accountable to the highest standards of ethical and professional behavior.
- **Stewardship:** We manage assets held in trust for current and future retirees. We are value oriented. We rigorously identify, measure, and manage risks.
- **Service:** We exist to serve our stakeholders with attentiveness to high quality, respectful customer service.
- **Trust:** We are our stakeholders' trusted source of reliable information.
- **Collaboration:** We seek out stakeholder input when establishing goals and setting priorities.

1.5 Board of Trustees

The Governor appoints the following Board members for INPRS pursuant to the following criteria:

- One trustee with experience in economics, finance, or investments.
- One trustee with experience in executive management or benefits administration.
- One trustee who is an active or retired member of the '77 Fund.
- Two trustees who are TRF members with at least 10 years of creditable service:
- One trustee who is a PERF member with at least 10 years of creditable service.
- Director of the State Budget Agency, or designee.
- Auditor of State, or nominee.
- Treasurer of State, or nominee

The executive director carries out the policies set by the Board and administers the Fund on a daily basis ([Indiana Code \(IC\) 5-10.5](#)).

1.6 Indiana Code Governing PERF

The laws and regulations governing the Indiana PERF may be found in Titles [IC 5-10.2](#) and [IC 5-10.3](#) of the Indiana Code (IC) and [Title 35 of the Indiana Administrative Code \(IAC\)](#). The content of this reference manual does not constitute legal advice, and nothing herein should be considered a legal opinion. In the event of a discrepancy between information in this handbook and the laws of the state of Indiana, the applicable law shall apply.

1.7 Other Public Employees' Retirement Fund Member Handbooks

The Public Employees' Retirement Fund (PERF) has three handbooks, one for each plan.

- [Public Employees' Retirement Fund \(PERF\) Hybrid Plan Member Handbook](#), referred to as the *PERF Hybrid Plan Member Handbook* throughout this handbook.
- [Public Employees' Retirement Fund \(PERF\) My Choice: Retirement Savings Plan \(Local Government Employees\) Member Handbook](#), referred to as the *PERF My Choice: Local Government Employees Member Handbook* throughout this handbook.
- [Public Employees' Retirement Fund \(PERF\) My Choice: Retirement Savings Plan \(State Employees\) Member Handbook](#), referred to as the *PERF My Choice: State Employees Member Handbook* throughout this handbook.

1.8 Important Terms

- **Beneficiary** – the person or institution you elect to receive all or part of your benefits upon your death. There are several types of beneficiaries discussed in this handbook.
- **Contributions** – funds paid by employers and members to fund future benefits.
- **Defined Contribution (DC) Account** – this is your individual account. It is funded by 3 percent mandatory contributions. These contributions are paid either with payroll deductions or by your employer. Voluntary contributions, interest and earnings may also be added to this account.
- **Employer** – the state of Indiana, participating quasi agency, participating political subdivision, or certain miscellaneous participating entity that employs members eligible for the My Choice: Retirement Savings Plan.
- **Fixed and Variable Rate Contributions** – contributions to the My Choice: Retirement Savings Plan that must be made as required by state law.
- **Mandatory Contributions** – contributions to your DC that must be made as required by state law.
- **Member** – a public employee enrolled in the My Choice: Retirement Savings Plan.
- **My Choice: Retirement Savings Plan** – This account is funded by a 3 percent employee fixed mandatory contribution and a variable employer contribution. The mandatory contributions may be paid by you or by your employer on your behalf. Interest and earnings may also be added to this account.
- **My Choice Plan-covered Position** – any eligible position your employer elects to cover and make contributions to INPRS to fund benefits.
- **Public Employee** – an employee of the state of Indiana or local government (political subdivisions). Employees of private companies do not qualify for membership.
- **Rollover Savings Account** – RSA now referred to as Rollover Pre-Tax Contribution or RSA (for Investments). Consists of a member's funds transferred to PERF from another qualified plan plus any interest or earnings.

- **Survivor Beneficiary** – the person receiving an elected percentage of your benefits upon your death. Several types of survivor beneficiaries are discussed in this handbook.
- **Vesting/Vested** – the minimum amount of time you have to work (years of participation) in one or more covered positions to receive a portion of the employer share (variable) contributions and earnings of the My Choice: Retirement Savings Plan.
- **Voluntary Contributions** – contributions made to the My Choice: Retirement Savings Plan that you may choose to make through payroll deductions if your employer participates in the program.
- **Years of Participation** – each full year of employment in a My Choice-covered position. Years of participation help to determine your qualification for vesting.



State employees and INPRS employees are eligible for membership in the PERF My Choice: Retirement Savings Plan based on specific criteria.

To find more information about the PERF Hybrid Plan or the PERF My Choice: Retirement Savings Plan (for Employees), see the [PERF Hybrid Plan Member Handbook](#) or the [PERF My Choice: Local Government Employees Member Handbook](#).

Therefore, as an employee you become eligible for PERF membership when you begin employment in a position an employer chooses to cover under the PERF benefits structure. The plans are explained in the following legislation:

- Indiana Codes [IC 5-10.2](#) and [IC 5-10.3](#)
- [Title 35 of the IAC](#)

2.1 PERF Hybrid Plan or PERF My Choice: Retirement Savings Plan for State Employees

If you are a new employee, you have 60 days from your date of hire to choose between two plan options:

- PERF Hybrid Plan [Defined Benefit (DB) plus Defined Contribution (D)C, or
- PERF My Choice: Retirement Savings Plan

If you do not choose within 60 days, you will be defaulted to the plan that your employer has chosen as the default plan.

NOTE: The State of Indiana has chosen PERF Hybrid Plan as the default plan. If your position is not with the State of Indiana, the default is whatever plan your employer has chosen as the default.

Your election, or default, is irrevocable so be sure to make an informed decision within the 60-day election period.

If your employer offers both plans, to help you decide what plan might be best for you, review the information available on the INPRS website:

- [My Choice: Retirement Savings Plan vs. Hybrid Side-by-Side Comparison Chart for State Employees](#)

2.2 Eligibility

The state offers employees the ability to choose between participating in the PERF My Choice: Retirement Savings Plan or the PERF Hybrid Plan, your participation election must be made online (either through your employer or through your access to [myINPRSretirement.org](#)). If both your employer and you make a selection, your selection will be used. **Once you make an election, your decision is irrevocable.**

For details about the PERF Hybrid Plan, refer to the [Public Employees' Retirement Fund \(PERF\) Hybrid Plan Member Handbook](#).

If you leave employment and later return to that same employer, your participation election stays the same. If you begin employment with a new employer, you may make a new election for that employer if the new employer offers a choice.

Your employer will designate which plan you will participate in by default if you do not make an election within 60 days. **This default enrollment is irrevocable.**

For a position to be My Choice Plan-covered, making you eligible for membership, you must be:

- A full-time state employee and a first-time state of Indiana employee,
- A non-excluded position as noted in [IC 5-10.3-7](#).
- In a position determined by the employer as a position covered by PERF and specified in the employer resolution
- Not in another public retirement or pension plan (except Social Security or the Prosecuting Attorneys' Retirement Fund (PARF), established by [IC 33-39-7-9](#))

2.2.1 Enrollment

After you begin working in a PERF-covered position, your employer will enroll you in the INPRS system. This notifies INPRS that you have entered into a PERF-covered position.

INPRS will open an account in your name and you will formally become a member. You will receive a welcome packet to detail your membership information. The packet will include instructions on how to access your online account. A PIN will be mailed to you. You will need the PIN to register for the first time on the myINPRSretirement.org website. You will also need to keep your PIN for ongoing access to the automated phone system. Your INPRS online account will allow you to:

- Enter and update beneficiaries,
- Update your address, and
- Make fund allocations for your contributions.
- Make plan election if employer allows a choice

If you do not make contribution allocations, your contributions will default to a Target Date Fund based on the estimated year you would be eligible to retire. See the [Investment Options](#) section of this handbook for details.

You will have 60 days to choose a plan (PERF My Choice: Retirement Savings Plan or PERF Hybrid Plan, as applicable). If you do not choose within this timeframe, you will default to the plan designated by your employer as the default plan. You will receive a letter in the mail to confirm your plan election or the default if you have failed to make an election.

2.3 Ineligibility

Employment by other public employers, such as cities, towns, or school districts, does not automatically mean membership in PERF. This is because some of the more than 1,000 employers participating choose to offer PERF benefits only to certain groups of employees, but not automatically to all employees.

The following are **not eligible** to participate in PERF:

- Employees who are paid wholly on a fee basis or as an independent contractor
- Employees who occupy positions covered by PERF Resolution and at the same time occupy positions covered by another retirement or pension plan supported in whole or in part by either the State of Indiana or a participating political subdivision including the following:
 - 1977 Police Officers' and Firefighters' Retirement Fund ('77 Fund)
 - Legislators' Retirement System (LRS)
 - Judges' Retirement System (JRS)
 - Excise, Gaming and Conservation Officers' Retirement Plan (EG&C)
 - 1953 Police Pension Fund
 - 1937 Firefighters' Pension Fund
 - 1925 Police Pension Fund
 - Sheriff's Pension Trust
 - Indiana State Police Pension Trust Fund

NOTE: The 1953 Police Pension Fund, 1937 Firefighters' Pension Fund, 1925 Police Pension Fund, Sheriff's Pension Trust, and Indiana State Police Pension Trust Fund are administered at the local unit level and not by INPRS.

- Elected officials of a political subdivision, unless the governing body specifically provides for the participation of locally elected officials
- Employees occupying positions normally requiring performance of service of less than 600 hours per year who meet one of the following are ineligible:
 - Hired before July 1, 1982
 - Employed by a participating school corporation

NOTE: This does not apply to those PERF members who are authorized to participate simultaneously in TRF or those members who are required to participate in both PERF and PARF.

- Employees, except employees of a participating school corporation, hired after June 30, 1982, occupying positions normally requiring performance of service of less than 1,000 hours during a year

2.4 Suspension of Membership

See the [Investment Options, Suspension of Membership](#) section of this handbook for details.

2.5 Personal Information

Your name and address on file in INPRS records is the primary contact information maintained by INPRS.

You can report any change in demographic information by contacting the Member Service Center at (844) GO-INPRS (844-464-6777). For TDD call (800) 579-5708. Customer Service Representatives (CSRs) are available weekdays (excluding weekends and state-designated holidays) from 8 a.m. to 8 p.m. ET, or by logging into your account at myINPRSretirement.org.

Your employer can report your name changes when reporting wage and contribution information. However, changing your address and beneficiary information with your employer will not update that information with INPRS. You need to contact INPRS directly to update your personal information.

For forms applicable to PERF, visit the [Public Employees' Retirement Fund \(PERF\) Member Forms](#) page of the INPRS website.

NOTE: As long as you have assets or a current or future benefit with the Fund, it is critical you keep INPRS informed of any changes to your name, addresses, or beneficiaries. These changes require separate notifications to either the Member Service Center or by accessing your account at myINPRSretirement.org.

For example: Marrying and changing your name does not automatically result in a change to your beneficiary designation.

2.5.1 Change Beneficiaries

You may change your beneficiary any time before you take a distribution. You can make changes by accessing your [myINPRSretirement](https://myINPRSretirement.org) account and using the **View or Change Beneficiary** function or submit the [Change Your Beneficiary - Active Member](#) form to the address indicated on the form. It is important that you report any beneficiary change. Failure to make changes may result in a payment going to someone who is no longer your choice to receive your balance.

Reporting a change in marital status does not automatically change your beneficiary/survivor. It is important to report this information to INPRS. You must follow the procedure for making a beneficiary change as outlined in the [Beneficiaries](#) section of this handbook.

2.5.2 Change Name

To change the name on your account submit the [Change Your Name on Your Account](#) form to the address indicated on the form with the legal documentation indicated in the form's instructions.

2.5.3 Change of Address

The address on file in our records is the only contact information INPRS has for you. If you leave your My Choice-covered position, you may qualify to withdraw your account and the correct current address is needed to contact you. You must report any change of address to INPRS. To change your address, access your account at myINPRSretirement.org to make these changes.



The My Choice Plan consists of an employer variable rate share that includes vesting requirements and an employee 3 percent portion. The My Choice Plan can be offered by an employer in addition to or instead of the PERF Hybrid Plan.

NOTE: Contributions can be both Defined Contributions (DC) as outlined in this section and Rollover Pre-Tax Contributions.

3.1 Benefit Structure

The My Choice Plan account is comprised of three types of contributions:

- Employer Contributions (Variable)
- Employee Contributions (Fixed)
- Voluntary Contributions (Optional), see the *[Voluntary Member Contributions](#)* section for details.

3.2 Employer Participation

Participation in the My Choice Plan is governed by [IC 5-10.3-12](#). The State of Indiana and INPRS employees can participate in the plan. All political subdivisions will have the option to offer the PERF My Choice Plan as an option

3.2.1 Contribution Rate

The employer contributes at an actuarially determined rate. This rate is evaluated annually and is provided two years prior to the fiscal year in which it applies. The remaining amount is used to pay down the unfunded liability for the fund. The amount is expressed as a percentage of the gross payroll. This employer contribution rate is separate and distinct from the 3 percent mandatory member contributions.

See the [Employer Contribution Rate Information](#) page on the INPRS website for the current rate.

3.2.2 Changes in Employer Contribution Rate

The rate is subject to change from year to year depending upon the actuarial valuation effective July 1. Factors that may cause a change in rates include, but are not limited to, investment returns, turnover, mortality experience, an increase in membership or wages, recent retirements, members reaching vesting status, and certification of prior creditable service for current or former members. The State's contribution rate for the plan is equal to the State's contribution rate for the fund as determined by the board. Political subdivisions can elect their contribution rate, up to the normal cost percentage, on an annual basis during the open enrollment period that occurs in November.

See the [Employer Contribution Rate Information](#) page on the INPRS website for the current rate.

3.2.3 Employer Contributions (Variable)

Employer contributions are placed in an employer contribution subaccount which receives an annual variable rate determined by the board of trustees. The employer contributions are available to you according to the vesting schedule.

3.2.4 Employer Contributions (Required)

Required employer contributions are a fixed rate as set by the Board.

3.3 Member Contributions

If your employer participates in the program, you may also make voluntary contributions to your account. Your employer may choose to match these contributions at 50 percent on your behalf.

3.3.1 Fixed and Variable Contributions

State law requires that 3 percent of your gross wages (W-2 reportable wages) be contributed to your DC account. The State of Indiana has a variable rate determined by the Board of Trustees. These contributions are in an employer sub account subject to vesting.

The mandatory 3 percent contributions and accumulated interest credits (earnings and losses) are refundable to you should you terminate employment prior to becoming eligible for the employer contributions according to the vesting schedule. While actively employed in a position covered by the Fund, you are not permitted to withdraw funds. See the [Vested Status](#) section of this handbook for more details.

NOTE: You become vested in the member contributions of your DC immediately and contributions are credited to an individual account in your name. However, you can only withdraw funds from your DC account as a distribution according to the vesting schedule or when you separate from employment. If you are re-employed in a PERF- covered position within 30 days from the date of termination, you are not eligible for a distribution. You must fully separate from your employer in order to withdraw your funds unless you meet certain criteria outlined in [35 IAC 1.2-5-1.3](#).

3.3.2 Voluntary Member Contributions

In addition to the 3 percent mandatory contribution, you may contribute up to an additional 10 percent of your compensation. This additional 10 percent is all post-tax.

Voluntary Post-Tax Contributions

When you make post-tax voluntary contributions, federal, state, county, local, and Social Security taxes have already been withheld. The take-home pay is reduced by the total amount contributed. Because these funds have already been taxed, they will not be taxed again; however, it is important to know that any earnings or interest accrued on these funds is still taxable at the time of distribution. See the [Withdrawals, Distributions, and Loans](#) section for details about disbursements.

You may choose to stop making post-tax voluntary contributions or change the amount deducted at any time.

Voluntary Pre-Tax Contributions

As of January 1, 2018, you can no longer elect to have Voluntary Pre-Tax Contributions withheld. If you elected to have Voluntary Pre-Tax Contributions withheld prior to the January 1, 2018, you will continue

with those contributions. If you elected to have Voluntary Pre-Tax Contributions and you separate from employment and return to employment with the same employer, you will automatically continue the contributions. **Enrollment in the program and election of percent to be deducted is irrevocable.**

3.3.3 401(a) 17 Limits

The IRC makes the following point regarding particular accounts:

- As a member of PERF you are subject to the annual compensation limit under Sections 401(a)(17), 404(l), 408(k)(3)(C), and 408(k)(6)(D)(ii) of the IRC. These limits are subject to change on an annual basis.

NOTE: The Omnibus Budget Reconciliation Act (OBRA '93) states that the law should be adopted by July 1, 1993; however, INPRS did not adopt this law until 1996.

Table 1 lists the compensation limits for INPRS (applicable to all funds).

Table 1: Compensation Limits

Fiscal Year	Max. Comp. Limit
7/1/1994 – 6/30/1995	N/A
7/1/1995 – 6/30/1996	N/A
7/1/1996 – 6/30/1997	\$150,000.00
7/1/1997 – 6/30/1998	\$160,000.00
7/1/1998 – 6/30/1999	\$160,000.00
7/1/1999 – 6/30/2000	\$160,000.00
7/1/2000 – 6/30/2001	\$170,000.00
7/1/2001 – 6/30/2002	\$170,000.00
7/1/2002 – 6/30/2003	\$200,000.00
7/1/2003 – 6/30/2004	\$200,000.00
7/1/2004 – 6/30/2005	\$205,000.00
7/1/2005 – 6/30/2006	\$210,000.00
7/1/2006 – 6/30/2007	\$220,000.00
7/1/2007 – 6/30/2008	\$225,000.00
7/1/2008 – 6/30/2009	\$230,000.00
7/1/2009 – 6/30/2010	\$245,000.00
7/1/2010 – 6/30/2011	\$245,000.00
7/1/2011 – 6/30/2012	\$245,000.00
7/1/2012 – 6/30/2013	\$250,000.00
7/1/2013 – 6/30/2014	\$255,000.00
7/1/2014 – 6/30/2015	\$260,000.00
7/1/2015 – 6/30/2016	\$265,000.00
7/1/2016 – 6/30/2017	\$265,000.00
7/1/2017 – 6/30/2018	\$270,000.00

Fiscal Year	Max. Comp. Limit
7/1/2018 – 6/30/2019	\$275,000.00
7/1/2019 – 6/30/2020	\$280,000.00
7/1/2020 – 6/30/2021	\$285,000.00

Rollover Funds into PERF My Choice

You are able to create a Rollover Pre-Tax Contribution account in PERF My Choice with funds rolled over from any of the following:

- A qualified plan described in IRS Section 401(a), 403(a) or an annuity contract or account described in Section 403(b)
- An eligible plan maintained by a state or political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under IRS Section 457(b)
- An Individual Retirement Account (IRA) described in IRS Section 408(a) or 408(b)
- A traditional or conduit IRA
- If you have rollover accounts with PERF Hybrid and/or PERF My Choice: Retirement Savings Plan, INPRS must keep the accounts separate.

You may change investment elections on all rollover accounts. You have the right to transfer or allocate rollover balances.

You may request investment election changes when you speak with a Customer Service Representative (CSR). You may also make changes by accessing your account at myINPRSretirement.org. Confirmation statements will be sent to you when you make an investment election change on the web or with a CSR.

You may have separate investment elections for your DC and Rollover Pre-Tax Contribution funds. Initial elections can be made on the rollover contribution form. The Rollover Pre-Tax Contribution funds may be invested in any of the current investment options. They may be withdrawn upon separation from employment according to the vesting schedule. When you take a distribution from your DC account, your Rollover Pre-Tax Contribution funds may be combined with your DC account. See the [Withdrawals, Distributions, and Loans](#) section for more details.

IRS guidelines require that you complete your rollover no longer than 60 days after the date on the distribution check.

Any amounts that are not rolled over within 60 days will not qualify for tax-free rollover treatment, unless you have obtained a waiver from the IRS (see the IRS website for information about waivers). Consult your tax professional if you have questions.

3.3.4 Voluntary Withdrawal of Rollover Pre-Tax Contribution Funds

You may make a lump sum or partial withdrawal of your Rollover Pre-Tax Contribution balance at any time by contacting INPRS.

3.4 Quarterly Member Statement

The default for your quarterly member statement is to receive a paper copy.

Quarterly member statements are available online. Log on to your online account at myINPRSretirement.org to see your quarterly statement. Here you will find information about your account balance and earnings. You can view your statement as long as you have money in your account, even if you no longer work in a My Choice-covered position. You can elect to receive electronic notification of the availability of your most recent statement online by accessing your account and selecting **Communications Preferences** under the **My Profile** link, located in the top right corner of the page.

The quarterly statement shows your contributions and any change in value to your holdings. For most members, the employer pays the 3 percent mandatory contributions. The employers' paid contributions are pre-tax. When your employer does not make the contribution, you pay the contribution post-tax. The earnings on the contributions are not taxed until you withdraw the funds. This is also true for voluntary pre-tax contributions. Taxes are due when you take a distribution.

3.5 Vested Status

Vested status in the plan is based on full years of participation. You are always 100 percent vested in the fixed 3 percent and any rollover contributions made. However, vesting in the value of the variable employer share contributions varies by length of participation in the plan.

Years of participation refers to all periods of participation in the plan in a covered position and will be credited in yearly increments. Partial years of participation are not prorated for credit.

Example

You work for the state for 2½ years. During that time, you are on FMLA leave for 6 months. You begin a new job in a My Choice-covered position and work there for 3½ years. During that time, you take another 6-month FMLA leave. Your total service at that point is 6 years.

3.5.1 Vesting Schedule

Only full years of participation count toward vesting in the variable rate (employer share) portion.

Example

If you work for 4 years and 10 months you would receive 80 percent of the variable rate (employer share) portion. One-hundred percent vesting occurs at termination for normal retirement (age 62 + five years of service) or death of a member in the line of duty.

Table 2 shows the vesting schedule for PERF My Choice participation.

Table 2: Vesting Schedule

Years of Participation	Employer Share	Member Share
1	20%	100%
2	40%	100%
3	60%	100%
4	80%	100%

Years of Participation	Employer Share	Member Share
5	100%	100%

If you are employed in two different PERF My Choice Plan-covered positions at the same time; and then terminate employment from either one of those positions, you forfeit only those contributions not vested from the employer from which you terminate.

Your years of participation in the plan may only be used towards calculating your vesting percentage in the plan. Years of participation in the plan may not be treated as creditable service in the fund.

If you are employed in one fund-covered position and at the same time are employed in a separate plan-covered position, you are entitled to both creditable service in the fund and years of participation in the plan. If you are employed in two plan-covered positions, you may earn years of participation from only one position at a time.

You do not have to work for the same employer and job in order to reach vested status. A total of 5 full years in any combination My Choice covered employment for which an employer makes contributions qualifies as years of participation for vesting purposes.



Participation Credit



4.1 Member Participation Credit

Participation credit is earned in full years.

You may also be entitled to participation credit during military service and certain types of leave. More information is available in the [Types of Participation Credit](#) section of this handbook.

Example

You work for the state for 2½ years which counts as 2 years of participation credit. During that time, you are on FMLA leave for 6 months. You begin a new job in a My Choice-covered position and work there for 3½ years which counts as 3 years of participation credit. During that time, you take another 6-months FMLA leave. Your total service at that point is 5 years.

4.2 Types of Participation Credit

As a PERF My Choice member you may be entitled to various types of participation credit.

4.2.1 Uniformed Services Employment and Reemployment Rights Act (USERRA) Eligibility

You may also be eligible for participation credit if the provisions of the [Uniformed Services Employment and Reemployment Rights Act \(USERRA\)](#) cover your military service. Conditions for USERRA eligibility are that you must meet all of the following criteria:

- Applied for or currently hold a civilian job
- Given written or verbal notice to the civilian employer prior to leaving the job for military training or service except when precluded by military necessity
- Have not exceeded the 5-year limit on periods of service, subject to certain exceptions
- Been released from service under honorable conditions
- Reported back to the civilian job in a timely manner or submitted a timely application for re-employment

All yours and your employer's contributions must be paid upon return to PERF-covered service for leaves. Ultimately, INPRS relies on the assertions and verifications made by the plan's participating employer.

4.3 Participation Credit for Leave of Absence

As a PERF My Choice member you are entitled to years of participation credit for leaves of absence in some instances.

4.3.1 Leaves of Absence from Covered Employment

If you go on an unpaid leave of absence for personal reasons, the employer may grant the leave with years of participation credit and accept the additional fund liability.

The employer must make contributions for creditable leaves of absence. Creditable leaves are determined by the employer. Typically, paid leaves are considered creditable. During a qualifying paid leave of absence, both you and your employer must make contributions and service will be granted to the extent permitted by law.

Workers' compensation leaves are always creditable, and years of participation credit is granted for the full extent of the leave.

You should speak with your employer about any leave and ask your employer to contact INPRS. You should also check with INPRS to find out how a leave will affect your years of participation.

4.3.2 Family and Medical Leave Act

NOTE: You may also receive years of participation credit for up to 12 weeks of leave taken during a 12-month period under FMLA (29 USC 2601, et seq.). A copy of the grant of the leave of absence must be filed with PERF within 90 days from the date the leave was authorized by the employer.

4.3.3 Paid Leave

During a paid leave of absence, both you and your employer must make contributions and years of participation will be granted.

4.4 Years of Participation and Disability

If you are a state employee you are entitled to years of participation credit for the time you are receiving short- or long-term disability benefits under a state-of-Indiana-sponsored disability plan, not to exceed 4½ years.

4.5 Service in a Dual Position

When you are employed by the same employer in a position which requires the performance of covered and non-covered service, contributions are paid from the portion of the annual compensation attributable to the covered service.

Example

Member employed in a PERF My Choice covered position for 2 years and employed in a TRF My Choice covered position for 3 years, this does not change the requirement for 5 years for vesting in each Plan.

NOTE: Service in a Dual Position can also have a meaning in relation to participation credit. A member working in a PERF- and TRF-covered position simultaneously can only earn 1 year of participation in My Choice or service credit in the Hybrid Plans, as applicable.

4.6 Reinstatement of Participation Credit

Your service is involuntarily terminated and you are later reinstated as a result of a court determination and order or administrative final determination and order you may be eligible for employer and employee

contributions as provided in the court determination and order or administrative final determination and order. Otherwise, there are no reinstatements of years of participation.

4.7 Additional Participation Credit

If you are a member of the My Choice Plan you are not able to purchase additional participation credit.



INPRS offers a variety of investment options from which you can choose to invest your My Choice Defined Contribution (DC) funds.

INPRS is unable to provide investment advice. The investment fund performance fact sheets available on the [Investment Fact Sheets](#) page of the INPRS website give you more detailed information on each of the investment options. You may want to talk to a trusted financial advisor or review the [Investing 101](#) page on the INPRS website.

5.1 My Choice Defined Contribution Account

Your PERF My Choice plan account is a Defined Contribution (DC) account.

Your DC account is money set aside for you to use after you separate from PERF employment. The funds in this account come from money your employer contributed, and/or money you contributed, and money earned from investing your account:

- mandatory contributions
- voluntary contributions (pre- and post-tax)
- investment profits and losses
- vested employer contributions

NOTE: If you belonged to the PERF My Choice: Retirement Savings Plan prior to January 1, 2018 and elected to participate in the Voluntary Pre-Tax Contribution account, you will continue having voluntary pre-tax contributions taken from your pay and credited to your DC account. However, if you were not enrolled in the Voluntary Pre-Tax Contribution account as of January 1, 2018, it is no longer available. If you were enrolled in that plan and re-employed with the same employer, you are required to continue with the voluntary pre-tax deductions. **Enrollment in the plan is irrevocable.**

Upon enrollment in PERF My Choice, you are enrolled in the Target Date Fund (default) based on the projected date you are eligible for retirement. Your DC will continue with this investment option until you make other selections. You can view or change your investment options and choose from several available options. You can log in to your account at myINPRSretirement.org to complete your investment direction elections, or contact the Member Service Center at (844) GO-INPRS (844-464-6777) where you can complete your request via phone with a CSR.

NOTE: If you do not submit your choices to PERF, your DC will automatically be invested in a Target Date Fund based on the projected date you are eligible for retirement and will remain in that fund until you make other elections.

You direct INPRS to invest a portion of your account (present balance and future contributions) into any or all of the investment funds in at least 1 percent increments. Or, you can invest current contributions and

new contributions separately. This means you can direct both current and future contributions, or leave current balances as they are and direct future contributions only.

Your DC account is subject to market risk when your funds are invested.

5.1.1 Rollover Funds into PERF My Choice

If you have a rollover account with PERF Hybrid and/or PERF My Choice: Retirement Savings, INPRS must keep the accounts separate. The funds are shown as Rollover Pre-Tax Contribution or RSA Only (for Investments) in your account at myINPRStirement.org. Your rollover account can be invested as outlined in the [Investment Considerations](#) section of this handbook. The amount must be at least 1 percent of your total balance and you can change it daily.

5.2 Investment Considerations

1. You are able to view daily valuations of your DC and/or Rollover Pre-Tax Contribution funds and make daily changes to your investment allocations for these funds.
2. The investment direction can cover your current DC and/or Rollover Pre-Tax Contribution balances and all future contributions or just future contributions for these funds.
3. If you are newly enrolled in PERF your DC funds will be invested only in a Target Date Fund until you select other options through the myINPRStirement.org website. You can call the INPRS Member Service Center at (844) GO-INPRS (844-464-6777). For TDD call (800) 579-5708. Customer Service Representatives are available weekdays (excluding weekends and state-designated holidays) from 8 a.m. to 8 p.m. ET to assist you in completing investment direction.
4. If you return to a PERF-covered position after having a break in service, generally, you will have the same investment elections as when you left, regardless of whether you elected to withdraw your DC. You can view or change your investment options by accessing your account at myINPRStirement.org. You can call the INPRS Member Service Center at (844) GO-INPRS (844-464-6777). For TDD call (800) 579-5708. CSRs are available weekdays (weekends and state-designated holidays) from 8 a.m. to 8 p.m. ET to assist you in completing investment direction.

5.2.1 Investment Options for Defined Contribution and Rollover Pre-Tax Contribution Funds

INPRS offers a variety of investment options from which you can choose to invest your My Choice DC and/or Rollover Pre-Tax Contribution funds, if applicable. See the [Investing 101](#) page of the INPRS website for more detailed information on variety of investment options available to members with DC accounts.

To view or change investment options, log in to your myINPRStirement.org account and complete your investment direction elections. You can call the INPRS Member Service Center at (844) GO-INPRS (844-464-6777). For TDD call (800) 579-5708. CSRs are available weekdays (excluding weekends and state-designated holidays) from 8 a.m. to 8 p.m. ET.

You can choose from several available options. Upon enrollment in PERF, you are enrolled in the Target Date Fund based on the projected date you would be eligible for retirement. Your funds will continue in this investment option until you make another selection.

Investment Options

You direct INPRS to invest a portion of your account (present balance and future contributions) into any or all of the investment funds in at least one percent increments. Or, you can invest current contributions and new contributions separately. This means you can direct both current and future contributions, or leave current balances as they are and direct future contributions only.

PERF My Choice: Retirement Savings Plan allows you to manage your DC and Rollover Pre-Tax Contribution funds with self-directed investment options. You may decide how to invest the contributions posted to your account and choose any one or more of the eight funds available through PERF:

- [Fixed Income Fund](#)
- [Inflation-Linked Fixed Income Fund](#)
- [International Equity Fund](#)
- [Large Cap Equity Index Fund](#)
- [Money Market Fund](#)
- [Small/Mid Cap Equity Fund](#)
- [Stable Value Fund](#)
- [Target Date Funds](#) (including the *Retirement Fund*)

You will be able to view the daily value of your money in your My Choice: Retirement Savings Plan. You will also be able to make changes to your investment allocations on a daily basis.

Stable Value Fund

The Stable Value Fund is an investment option for PERF and TRF members. If you had funds in the Guaranteed Fund and did not elect to move those funds to other options prior to January 1, 2017, your Guaranteed Fund money was moved to the Stable Value Fund at that time. See the [Stable Value Fund](#) Fact sheet on the INPRS website for details. You may change your investment elections at any time by accessing your account at myINPRSretirement.org.

Target Date Funds

Target Date Funds are the default fund for new members who have not elected other fund options. The goal of Target-Date Funds is to be a "one-stop shop". Target Date Funds consider the year in which we project you to retire in order to provide appropriate risk diversification. See the [Target Date Funds](#) Fact sheet on the INPRS website for details. You may change your investment elections at any time by accessing your account at myINPRSretirement.org.

Retirement Fund

The Retirement Fund contains your DC and/or RSA contributions in the situation where you elected a Target Date Fund, but did not retire by the time you reached your chosen Target Date Fund year. At any time, you may elect to move your contributions (DC and/or RSA) into another Target Date Fund or any of the other available investment offerings.

If you are currently invested in the Retirement Fund but, based on your age, you should be in one of the new Target Date Funds (2015 or 2065), your Retirement Fund balances (DC and/or RSA) will be moved into the appropriate Target Date Fund year, as applicable.

5.2.2 Defined Contribution and Rollover Pre-Tax Contribution Fund Allocation Changes

As outlined in this handbook, you can change the amount of your DC and Rollover Pre-Tax Contribution funds you invest in each investment fund. The amount must be at least 1 percent of your total balance and can be changed daily.

It is important to ask yourself these questions.

1. **What is my *risk tolerance*?** This means how comfortable you are with the account value rising and falling with the markets.
2. **What is my *age*?** If you are younger you may be able to take on more market risk since stock losses can be made up over time. If you are older you may want to invest in more stable value investments that provide regular income.
3. **What is my *portfolio diversification*?** This means spreading your money among different types of investments to reduce overall risk.

There could be other factors to consider. Consult your financial advisor.

NOTE: If you do not choose your DC investment option(s), your DC will default to a Target Date Fund based your projected date of retirement.

5.3 Suspension of Membership

5.3.1 Staying Invested

When you leave covered employment, you may leave your DC and/or Rollover Pre-Tax Contribution funds invested with PERF and may continue to invest in any of the available options. You will continue to receive a quarterly statement. You are considered inactive if you are no longer working in a My Choice Plan-covered position.

If you have been inactive for 5 years your account will be suspended. The implementation of the 5-year suspension began on July 1, 2016, for all DC and/or Rollover Pre-Tax Contribution funds inactive for 5 years or more on that date going forward. Inactive means no wages and contributions have been reported for a 5-year period.

If your account has less than \$1,000 invested, the funds may be disbursed to you.

If your account has \$1,000 or more invested, you retain access to your account and the ability to direct investments. Your suspended account will remain invested per your investment elections and will be charged an administrative fee.

5.3.2 Forfeiture

When you separate from service with less than 5 years of participation, the non-vested portion of your variable rate (employer share) account will be forfeited. Prior years of participation service will be reinstated to your account if you return to My Choice Plan-covered employment. Forfeitures of non-vested monies are not reinstated to the account even if you return to My Choice Plan-covered employment. If you

become re-employed with the same employer within 30 days, your forfeited money will be restored to your account.

5.3.3 Rollover Pre-Tax Contribution Account for Inactive Member

As of July 1, 2018, inactive members can roll over funds from a qualifying IRA or retirement plan into PERF and continue to direct the fund elections the same as with the DC funds. Complete the [*Transfer Funds from an Outside Account into a PERF RSA*](#) and the [*Download the Rollover Acceptance Form*](#), as applicable, available on the [Public Employees' Retirement Fund \(PERF\) Member Forms](#) page on the INPRS website.



6.1 Withdrawals

If you separate from service in a PERF My Choice-covered position for a reason other than death or disability, you may apply for a distribution of your contributions plus interest based on the [Vesting Schedule](#). Also see the [Distributions](#) section of this member handbook for details.

You also have the option to leave your contributions invested with PERF My Choice. They can be withdrawn at any time. See the [Distributions](#) section of this member handbook for details and the [Income Tax Considerations](#) section for details about taxes that may be levied on early distributions.

6.2 Distributions

The following sections address taking distribution of your PERF My Choice funds.

NOTE: If you are not normal retirement age, which means at least 62 years of age with 5 years participation credit, you can only withdraw funds from your account when you end employment from a covered position. You must fully end employment for at least 30 days. If you are no longer in a PERF-covered position but are still employed with the same employer, you do not qualify to take a distribution unless you have reached age 62 and fully vested. Employment on a part-time basis is not considered ending employment.

After December 31, 2020, if you are normal retirement age, which means at least 62 years of age with 5 years participation credit, you may take an in-service distribution of your DC account without separating service. After December 31, 2020, if you are normal retirement age, you may withdraw funds from your DC account without waiting 30 days after you have fully ended your employment. Prior to January 1, 2021, the 30-day waiting period is still required.

6.2.1 My Choice (Defined Contribution) Distribution

Separation from Service (Not Fully Vested)

You can take distribution of the balance of your account and receive a lump sum distribution or roll the funds to another qualified retirement plan if you are no longer working in a My Choice-covered position. If you re-employ in a My Choice-covered position within 30 days, any requested distribution is void. You may be required to pay back the distribution, plus interest. You should notify INPRS immediately if you become re-employed within a 30-day period.

If your account balance is more than \$1,000 (\$1000.01 or more) and you do not request a distribution, payment will be deferred until March of the year after you turn 70½ or 72, depending upon when you turned 70 ½.. At that time, a Required Minimum Distribution (RMD) will be processed. Rules about the RMD take precedence over any of the automatic cash-out or rules regarding suspension. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook.

Your distribution amounts consist of:

- The 3 percent annual fixed contributions.
- Voluntary contributions (if applicable)
- Rollovers (if applicable).
- All interest and earnings credited to the account.
- Vested percentage of variable contribution (employer share – see [Table 2](#))

My Choice DC distributions are regulated by the following conditions:

- If you continue uninterrupted employment in any capacity (full-time or part-time) in any agency or department of the current employer, regardless of whether the new position is covered under PERF or not, **you are not considered separated from service**. There is an exception that allows you to withdraw the DC funds without a separation under [35 IAC 1.2-5-1.3](#).
- If you continue uninterrupted employment and are placed in a non-covered position, you may be eligible to withdraw your DC funds under [35 IAC 1.2-5-1.3](#) without a 30 day separation but must meet the following conditions:
 - You must be at least age 62
 - You cannot be eligible for a retirement benefit
 - You must be in a non-covered position
- If you are re-employed in a My Choice Plan-covered position within 30 days from the date of termination, you are **not** eligible for a distribution.

If your account balance is more than \$1,000 (\$1000.01 or more) and you do not request a distribution, payment will be deferred until March of the year after you turn 70½ or 72, depending upon when you turned age 70 ½. At that time, a Required Minimum Distribution (RMD) will be processed. Rules about the RMD take precedence over any of the automatic cash-out or rules regarding suspension. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook.

See the *Forfeiture* section of this document for information about forfeiture and non-vested funds.

Separation from Employment (Fully Vested)

If you have more than \$1,000, and 5 years of service, your account balance will remain in the My Choice: Retirement Savings Plan. Your money will remain in the account until you elect a final distribution, partial withdrawal, or until a minimum distribution payment is required. See the *Required Minimum Distribution (RMD) Information* section of this handbook

If you are vested with a balance, your distribution options are:

- a lump sum (with or without a rollover),
- a direct rollover to another eligible plan, or
- a monthly annuity if you are age 62 with 5 years of participation and have an account balance of at least \$5,000.

Withdrawals, Distributions, and Loans

If you are at least 62 years of age with 5 years of participation and a minimum of \$5,000 balance (DC and Rollover Pre-Tax Contributions), you can roll over all or part of your PERF My Choice funds into a MetLife annuity (refer to the [MetLife Retirement Income Center](#) to create an annuity estimate) or another IRS qualified plan/conduit or traditional IRA. If only part of the funds are rolled over to MetLife or another qualified plan, the remaining funds can be paid directly to you and/or rolled over into another IRS qualified plan/conduit or traditional IRA and/or deferred.

After December 31, 2020, if you are both fully vested and at least age 62, you may withdraw funds from your defined contribution account without waiting 30 days after having separated from employment.

Not Separated from Employment (Fully Vested)

Prior to January 1, 2021, you are ineligible for your DC funds (DC and Rollover Pre-Tax Contributions, as applicable) contributed to the member share portion of your DC until you have separated from your PERF-covered employment. None of the employer share contributions are available for distribution until you separate from employment with TRF for 30 days and then the distribution is according to the [Vesting Schedule](#).

After December 31, 2020, you are eligible for an in-service distribution if you are both fully vested (5 years participation) and are at least 62 years of age. If you do not meet both of these requirements, you are not eligible for an in-service distribution and must wait until you separate from employment with PERF for 30 days.

Partial Distribution

You are eligible for partial distribution whether you are vested or not vested; however, if you are not vested you are only eligible for the employer share (variable rate) as outlined in [Table 2: Vesting Schedule](#) in this document. The options for a partial distribution are the same as outlined in the [My Choice Plan Payment Options](#) section of this handbook as partial distribution options.

6.2.2 Payment Options

When you apply for My Choice DC distribution, you must choose how to receive the payments.

Direct Rollover

Taxable Portion

You may elect to have all or part of the taxable portion of your DC and Rollover Pre-Tax Contributions paid in the form of a direct rollover into an eligible 401(a), 403(b), or governmental 457(b) plan, or Traditional IRA, which has provisions allowing it to accept the rollover on your behalf.

This option defers any taxes owed on the DC and Rollover Pre-Tax Contributions balance.

If you choose to roll over only part of the taxable amount, the portion not rolled over is paid directly to you (less the mandatory 20 percent withholding for federal income tax).

If you choose to take a rollover distribution and do not complete the rollover by the 60th day following the day on which you receive the distribution, your distribution may be subject to taxes and/or penalties unless you qualify for a waiver. You should consult a tax professional for waiver qualifications.

Non-Taxable Portion

You may choose to have all or part of the non-taxable portion of your DC paid as a direct rollover into a qualified plan. The percentage of taxable to non-taxable funds that are rolled over must reflect the same percentage as currently in the DC account. Those plans include a 403(b) plan, or Traditional or Roth IRA. If you roll over only part of the non-taxable amount, the portion not rolled over is paid directly to you.

Paid Directly to You

Taxable Portion

You may elect to have the total amount of the taxable portion of your DC and Rollover Pre-Tax Contributions (less the mandatory 20 percent withholding for federal income tax) paid directly to you.

Non-Taxable Portion

If you take the full distribution of your DC and Rollover Pre-Tax Contributions account, the full amount of taxable and non-taxable funds in your DC and Rollover Pre-Tax Contributions will be distributed directly to you.

You will receive a 1099-R after you receive your distribution. By January 31, your 1099-R should be mailed.

INPRS will withhold 20 percent from your withdrawal of the taxable portion paid to you or to your surviving spouse. This is done whether or not the IRS imposes a 10 percent penalty.

Tax Penalty – Early Distribution

You may be subject to an additional 10 percent federal tax penalty on your DC and Rollover Pre-Tax Contributions if you have not reached the age of 59½ at the time of your distribution. By January 31 of the year after you receive your distribution, you will receive a 1099-R. Consult with your tax professional about withdrawal and tax implications.

6.3 CARES Act

The CARES Act, federal legislation which became effective March 27, 2020 suspended required minimum distributions for the calendar year 2020 for defined contribution plans and allowed states to provide for COVID-related distributions, provided certain requirements were met. Through an Indiana Executive Order, INPRS allowed COVID related distributions pursuant to the CARES act for TRF My Choice, PERF My Choice, PERF Hybrid DC accounts, TRF Hybrid DC Accounts, and LEDC Accounts. If you qualified for one of these distributions and took one of these distributions and you have questions about tax consequences, contact your tax advisor.

6.3.1 CARES Act – COVID Qualifications

The CARES Act allows coronavirus (SARS-CoV-2 or COVID 19) distributions for DC plans if:

- Member, spouse, or dependent is diagnosed with SARS-CoV-2 or COVID 19
- The Member experiences adverse financial consequences based on being:
 - Quarantined, furloughed, or laid off due to a SARS-CoV-2 or COVID 19
 - Reduced work hours or unable to work due to childcare due to SARS-CoV-2 or COVID 19
 - Closing or reducing business hours for business owned or operated by the person due SARS-CoV-2 or COVID 19

- Other factors determined by the U.S. Secretary of the Treasury
- Member must certify that they meet one of these requirements in order to receive the distribution
- These distributions are for a limited time only.

6.4 Staying Invested

When you leave covered employment, you may leave your DC and Rollover Pre-Tax Contributions funds invested with PERF My Choice and may continue to invest in any of the available options. If you have been inactive for 5 years (beginning July 1, 2016) with no wage and contribution reporting your account will be suspended. Your suspended account will remain invested per your investment elections.

6.5 Loans

Loans from your PERF My Choice DC account are not permitted at this time.



Beneficiary refers to the person or institution designated to receive all or part of your Defined Contribution (DC) and Rollover Pre-Tax account, as applicable, upon your death.

7.1 Designating Beneficiaries

You may name either single or multiple beneficiaries to receive your DC and Rollover Pre-Tax Contribution account, as applicable, if death occurs before distribution. You must allocate benefit shares in whole percentage increments if you designate more than one beneficiary. In lieu of a named individual(s), you may also designate a trust or legal entity as your beneficiary.

If there is no beneficiary on file, benefits will be paid first to your surviving spouse. If there is not a surviving spouse, benefits will be made payable to your surviving dependents or dependents in equal shares. If there is no surviving spouse or dependents, the estate will receive the balance of the account. ([IC 5-10.3-12-27](#))

If you designate more than one primary beneficiary, the primary beneficiary predeceases you, and you did not complete a new beneficiary designation, the remaining primary beneficiaries will receive an apportioned pro rata share based upon the remaining primary beneficiaries' allocated percentages of the deceased primary beneficiary's portion.

You can also designate contingent beneficiaries. Contingent beneficiaries would be paid upon your death only if all primary beneficiaries have pre-deceased you.

Your beneficiary may be:

- one or more people,
- certain kinds of trusts,
- estate, or
- other legal entity, such as a charity.

NOTE: If more than one primary or contingent beneficiary is named for your account, you must choose percentages for each beneficiary that will equal 100 percent total. In the case of 3 beneficiaries, whether primary or contingent, one beneficiary must be assigned 34 percent and the others 33 percent. If assigned as 33 percent each, INPRS will pay the first named beneficiary the extra percent (34 percent).

If you do not name a beneficiary, your assets will pass to:

- a surviving spouse,
- surviving dependents, if you do not have a surviving spouse, or
- your estate, if you do not have a surviving spouse or dependents.

You can designate or change a beneficiary by logging into your account on the myINPRSretirement.org website and proceeding to **Personal Information > Beneficiary Information**. Failure to update beneficiaries

could result in payment being made to a previously designated beneficiary. **Beneficiaries cannot be changed after the date of death of the member.**

7.2 Changing Your Beneficiary after Distribution

There is no Defined Benefit (DB) retirement benefit with My Choice. Refer to the [Designating Beneficiaries](#) section for details about naming beneficiaries for your My Choice DC and/or Rollover Pre-Tax Contribution accounts. **Beneficiaries cannot be changed after the date of death of the member.**

7.3 Divorce

Indiana law prevents assigning PERF benefits. Accordingly, PERF cannot honor any divorce decree which requires it to pay anyone other than the member or the named beneficiary on your PERF My Choice DC and Rollover Pre-Tax Contribution account, as applicable. In addition, Indiana law prohibits PERF from garnishing a member's benefit for child support payments.

NOTE: If you annuitize or roll over any of your PERF My Choice funds these exceptions will not apply.

7.4 Qualified Domestic Relations Order (QDRO)

Under State law, benefits in the Plan are exempt from any legal process. Qualified Domestic Relations Orders (QDROs) do not apply to PERF, because PERF is not subject to the Employee Retirement Income Security Act of 1974 (ERISA)

7.5 Disclaiming a Distribution

Indiana law allows a beneficiary to decline (disclaim) a distribution. The law also decides how the bequest is handled if the beneficiary declines it. For specific information on your situation and to be provided with the state form to complete, contact the Member Service Center at (844) GO-INPRS (844-464-6777).

7.6 Trust or Legal Entity as a Beneficiary

In certain situations, naming a trust or Legal entity as a beneficiary is possible. When naming a trust or legal entity as beneficiary, members must furnish PERF with the name, address, and tax identification number of the trust or legal entity. INPRS will also request a copy of the trust agreement.



Distribution Benefits



PERF My Choice: Retirement Savings Plan does not pay retirement benefits like the PERF Hybrid Plan. PERF My Choice offers a distribution of the PERF My Choice funds as outlined in this section either in conjunction with separation from employment in a PERF My Choice-covered position for 30 days or at age 70½ or 72, depending upon when you reached age 70½, according to Required Minimum Distribution (RMD) rules. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook.

If the vested funds are left in the PERF My Choice Plan at separation from employment, there is no additional vesting; however, the funds will continue to accrue interest according to your investment elections.

8.1 Distribution Benefit

Your PERF My Choice: Retirement Savings Plan benefit consists of the disbursement of your My Choice Defined Contribution (DC) funds and your Rollover Pre-Tax Contribution funds, if applicable.

8.2 Distribution Eligibility

Your eligibility for distribution of your My Choice funds to a MetLife annuity is determined by three factors:

- **Age:** At least age 62
- **Employment:** For distributions before January 1, 2021, you must be separated from PERF employment for at least 30 days. After December 31, 2020, if you are not normal retirement age (at least age 62 with 5 years participation) you must be separated from PERF employment for at least 30 days before taking a distribution. However, after December 31, 2020, if you are normal retirement age (at least age 62 with 5 years participation) you do not have to wait 30 days after separation from PERF employment to take a distribution of your DC account. Further, after December 31, 2020, if you are normal retirement age (at least age 62 with 5 years participation), you may take an in-service distribution of your DC account.
- **Years of Participation:** At least 5 full years of participation
- **My Choice Minimum Balance:** At least \$5,000

8.3 Distribution Ineligibility

MetLife annuity is the only vehicle offered by INPRS that has age, participation, and minimum balance requirements. As a My Choice member you can take distribution of your funds, vested or not vested, at any time after meeting separation distribution requirements. See the [Distributions](#) section of the [Withdrawals, Distributions, and Loans](#) section of this handbook.

8.4 Distribution Effective Date

As a member, you set an effective date for the start of your annuity when you complete the application from your online account at myINPRSretirement.org. Because there is no DB retirement benefit available for My Choice members, there is no *retirement* effective date.

8.5 Distribution Options

Table 3 outlines the available distribution options for the PERF My Choice: Retirement Savings Plan.

Table 3: Distribution Options

Option	Age and Service Requirements*	Distribution
Regular Distribution	<ul style="list-style-type: none"> Age 62 or older At least 5 years of participation, At least \$5,000 minimum balance 	Full distribution as elected by the member or setting up an annuity with MetLife.
	All other regular distributions	See Section 8.2, Distribution Eligibility All other DC distributions are paid according to the Vesting Schedule section of this handbook.
Early Distribution	N/A	See Withdrawals, Distributions, and Loans for details about distribution of DC and rollover accounts.
Deferred Retirement Option Plan (DROP)	Not available for My Choice members	N/A
Disability Distribution	Must meet the SSA disability requirements	See the Disability Distribution section of this handbook for details.

8.5.1 Regular Distribution

There is no DB retirement benefit from the PERF My Choice Plan. However, you may withdraw the vested portion of your account if you meet the requirements outlined in the [Retirement Eligibility](#) section of this handbook.

If you have met age (62 or older), years of participation (minimum of 5 years), and have at least a \$5,000 balance in your My Choice Plan account, you may annuitize your DC and/or Rollover Pre-Tax Contribution funds, as applicable, into a monthly annuity payment. Beginning January 1, 2018, INPRS is no longer your choice of annuity provider. However, INPRS has partnered with MetLife to offer annuities at competitive rates. With the transition to MetLife not only will you still have the ability to purchase a lifetime income annuity with all your INPRS DC and/or Rollover Pre-Tax Contribution funds, as applicable, assets, or with a portion of those assets.

Any rollover accounts into PERF may be used in the calculation of the minimum account balance. That is, you may take this money as a lifetime monthly annuity payment. You can also choose to receive a distribution of the DC funds when you retire from PERF or defer distribution to a later date.

You may roll over your My Choice funds into another IRS qualified plan (which could be an annuity other than MetLife) or a traditional or conduit IRA.

You must choose your payment option. See the [My Choice Plan Distribution Payment Options](#) section of this handbook for details.

8.5.2 Early Distribution

See [Withdrawals, Distributions, and Loans](#) for details about distribution of DC and Rollover Pre-Tax Contribution funds, as applicable.

8.5.3 Deferred Retirement Option Plan (DROP)

The Deferred Retirement Option Plan (DROP) is not offered to PERF My Choice: Retirement Savings Plan members.

8.5.4 Disability Distribution

As a PERF My Choice Plan member you are eligible to apply for disability distribution if you satisfy the eligibility criteria.

Disability Eligibility

To apply for disability while a member of the PERF My Choice: Retirement Savings Plan you must satisfy the following criteria. INPRS considers your onset date to have occurred while serving in a covered position if the onset date is while you were:

- receiving salary (your onset date must be prior to your last paycheck date);
- receiving employer-provided income protection benefits;
- on leave under the FMLA; or
- off work receiving worker's compensation benefits

There is no minimum amount of service required to receive disability benefits from INPRS. If you become disabled, you can withdraw the vested portion of your assets in the Plan. You continue to accrue years of participation credit even though you are on disability but not separated from service.

Contact INPRS if you have any questions about establishing eligibility for disability benefits.

NOTE: INPRS cannot process your disability application without a copy of your Social Security award letter with the onset date.

Disability Withdrawal

If you have met the Social Security Administration (SSA) disability requirement, you may request a distribution online at myINPRSretirement.org or speak to a CSR.

If you are disabled, to the extent you are vested (see the Vesting Schedule), you are eligible to take a full or partial withdrawal paid in a lump sum, a direct rollover to an eligible retirement plan, or as an annuity (MetLife or other qualified annuity plan). For the MetLife annuity you must have a minimum of \$5,000 DC and Rollover Pre-Tax Contributions combined.

You can submit your distribution elections using the online retirement application by accessing your account at myINPRSretirement.org.

8.6 My Choice Plan Distribution Payment Options

If you elect to withdraw the DC and/or Rollover Pre-Tax Contribution funds, as applicable, the balance will remain invested based on your current investment allocations until INPRS processes the distribution.

Distribution Benefits

If you decide to annuitize the DC and/or Rollover Pre-Tax Contribution funds, the balance will remain in the investments you have chosen; however, depending on your current investment allocations, you may want to consider reallocating it to lower risk alternative investments.

Any trailing contributions and amounts remaining in the account following any distribution of the annuity will be distributed to you.

8.6.1 Split Defined Contribution and/or Rollover Pre-Tax Contribution Account Balance

You may elect to split your DC and/or Rollover Pre-Tax Contribution account between these options:

- MetLife Annuity, provided you meet the requirements outlined in the [Distribution Eligibility](#) section of this handbook. (Visit the [MetLife Retirement Income Center](#) to create your annuity estimate)
- Direct Rollover
- Lump Sum
- Defer

You must complete your IRA or Qualified Retirement Plan information if you choose to roll over a portion of your DC and Rollover Pre-Tax Contribution accounts.

8.6.2 Full Withdrawal

You may elect to have the total amount of your DC and Rollover Pre-Tax Contribution accounts (less mandatory federal income tax withholding) paid directly to you.

If you decide to withdraw all of your DC and Rollover Pre-Tax Contribution accounts, you must choose either a direct rollover, complete withdrawal, or partial rollover to a Qualified Retirement Plan for the taxable portion of your DC and Rollover Pre-Tax Contribution accounts. You must consider the tax consequences you may face if you choose a complete withdrawal of the taxable portion of your DC account.

8.6.3 Full Deferment

You may choose to leave your DC and Rollover Pre-Tax Contribution funds invested with PERF My Choice.

When you do this, you defer distribution of your DC and Rollover Pre-Tax Contribution balances. According to IRS regulations, you must begin distribution at age 70½ or 72, depending upon when you reached age 70½. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook for details. Until you elect to receive your DC and Rollover Pre-Tax Contribution funds, the funds will remain invested according to your directions.

If you do not want your funds in this account paid to your estate at your death, you must designate a beneficiary.

8.6.4 Partial Withdrawal with Deferment

Partial withdrawal means requesting a distribution of less than 100 percent of your balance. If you make this choice for your DC and Rollover Pre-Tax Contribution funds you will withdraw the funds for a full or

partial rollover to a Qualified Retirement Plan or direct distribution to you, and then leave the remainder of your DC and Rollover Pre-Tax Contribution funds invested with PERF.

When you do this, you defer distribution of a portion of your DC and Rollover Pre-Tax Contribution balance at this time. Distribution of the deferred funds may be taken at any time; however, according to IRS regulations, you must begin distribution at age 70½ or 72, depending upon when you reached age 70 ½. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook for details. Until you elect to receive your funds, the funds will remain invested according to your directions.

If you do not want the funds in this account paid to your estate at your death, you must designate beneficiary(ies).

8.6.5 Partial Deferment

In My Choice, you are immediately vested in employee contributions so partial withdrawal of those are allowed at any time (as long as you are otherwise eligible). Partial withdrawals are also allowed for employer contributions in which you are vested.

When you do this, you defer distribution of your DC and Rollover Pre-Tax Contribution balance at this time. Distribution of the deferred funds may be taken at any time; however, according to IRS regulations, you must begin distribution at age 70½ or 72, depending upon when you reached age 70 ½. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook for details. Until you elect to receive your funds, the funds will remain invested according to your directions.

8.6.6 Partial Rollover/Partial Withdrawal

As a retiring member you may elect a partial withdrawal.

If you make this choice for your DC and Rollover Pre-Tax Contribution account, you will withdraw from your DC and Rollover Pre-Tax Contribution account in the form of a direct rollover, a partial distribution, or a partial rollover to a Qualified Retirement Plan, and then leave the remainder of your DC and Rollover Pre-Tax Contribution funds invested with PERF. When you do this, you defer distribution of your DC and Rollover Pre-Tax Contribution balances at this time.

According to IRS regulations, you must begin distribution at age 70½ or 72, depending upon when you reached age 70 ½. See the [Required Minimum Distribution \(RMD\) Information](#) section of this handbook for details. Until you elect to receive your funds, you will remain invested according to your directions.

You may receive a portion of your DC and Rollover Pre-Tax Contribution accounts as a direct rollover to a Qualified Retirement Plan. The portion that is not rolled over will be paid directly to you.

NOTE: Your decision on how to receive distributions from your DC and Rollover Pre-Tax Contribution accounts can have significant tax implications, and you are urged to consult with a tax advisor. INPRS can explain options, but cannot offer investment or tax advice.

8.7 Direct Deposit

Direct deposit is the required method for setting up an annuity with MetLife through your account at myINPRRetirement.org. After completion and submission of the application, future information about your account, distributions, and deposits will be the responsibility of MetLife.

The Direct Deposit form must be completed and submitted online from the myINPRRetirement.org website. You can call the INPRS Member Service Center at (844) GO-INPRS (844-464-6777). For TDD call (800) 579-5708. CSRs are available weekdays (excluding weekends and state-designated holidays) from 8 a.m. to 8 p.m. ET. The CSR will direct you to the myINPRRetirement.org website to complete and submit the online information.

8.8 Re-Employment of Vested Members (Who Took Distribution)

You can go back to work after you take distribution of your DC and Rollover Pre-Tax Contribution funds. If you re-employ with a new employer, you are eligible to choose between the PERF Hybrid Plan and the PERF My Choice: Retirement Savings Plan, if the new employer allows you to choose. If your re-employment occurs within 30 days of your distribution, your distribution is void. You may be required to repay any distributions you received.

Example

For example, if you stop working on May 18, your annuity start date is June 1. You qualify to re-employ in a My Choice-covered position on or after June 18. **If you return to a My Choice-covered position within 30-days after ending service, your distribution is void.**

Your distribution is void if you have an agreement, formal or informal, prior to taking your distribution, with a covered employer to return to work in a covered position. There is no limit on earnings for members who return to work in a My Choice-covered position. If you take your DC and Rollover Pre-Tax Contribution distribution, as applicable, from a My Choice-covered position and re-employ in a My Choice-covered position after 30 days, you can be re-enrolled in the My Choice: Retirement Savings Plan.

If you retired from another Indiana public retirement fund (such as the 1977 Police Officers' and Firefighters' Retirement Fund) you do not have a minimum period of separation before taking a My Choice-covered position with the same employer.



9.1 Death Distribution

If your My Choice Defined Contribution (DC) and/or Rollover Pre-Tax Contribution funds, as applicable, were distributed at the time you separated from employment, there are no death benefits to be paid to a named survivor.

See the [Disability Distribution](#) section of this handbook for details on what happens if you die while on disability.

9.2 Death While In or Out of Service

In the event of your death, INPRS must be notified so that your beneficiaries receive their payments promptly. INPRS needs a copy of the death certificate to make any distributions of available balances. Although employers may inform INPRS of your death, the death certificate will still be required. Employers do not always provide a member's death notification.

If your death occurs while you are still working (in service), INPRS will disburse the funds in your DC and Rollover Pre-Tax Contribution accounts, as applicable, to your beneficiary/beneficiaries or your estate based on the beneficiary information on file with INPRS. If no beneficiary is named, the funds go to your estate. See the [Designating Beneficiaries](#) section of this handbook for details.

The named beneficiary's right to a distribution vests upon your death. Beneficiary changes received after your death cannot be honored.

If you name more than primary beneficiary, and of them precedes you in death, the amounts your other beneficiaries receive may be affected. If you do not file a new beneficiary designation form, the remaining primary beneficiaries will receive a portion of the deceased primary beneficiary's share based upon the remaining primary beneficiaries' percentages.

9.3 Survivor Benefit

If you do not name a beneficiary, or if your beneficiary pre-deceases you, your assets will automatically pass to:

- a surviving spouse,
- surviving dependents in equal shares, if you do not have a surviving spouse, or
- your estate, if you do not have a surviving spouse or dependents.

If you die while in service, but not in the line of duty, or after terminating employment but before withdrawing the account balance, the account will be paid to the listed beneficiary(ies). The beneficiary(ies) will receive the DC balance which includes the fixed 3 percent contributions, any Rollover Pre-Tax Contribution, and the vested portion of the variable rate contributions (employer share). The beneficiary may elect to have the account paid as a:

- Lump sum
- Direct rollover to another eligible retirement plan,
- An annuity if the account balance is at least \$5,000 and the beneficiary or spouse is at least 62 years old,

- Installment payments for up to 5 years.

If you do not list any beneficiary(ies), or if the beneficiary(ies) does not survive you, the account will be paid to the surviving spouse, dependents or estate. The beneficiary or survivor may elect to have the account paid as a lump sum, a direct rollover to another eligible retirement plan, as a monthly annuity if the account balance is at least \$5,000 and the beneficiary or spouse is at least 62 years old, or installment payments for up to 5 years.

If you die in the line of duty, the listed beneficiary(ies) will receive the entire account balance which includes: fixed 3 percent contributions, any Rollover Pre-Tax Contributions, and the entire balance of the variable rate contributions (employer share). The beneficiary or survivor may elect to have the account paid as a lump sum, a direct rollover to another eligible retirement plan, or as a monthly annuity if the account balance is at least \$5,000 and the beneficiary or spouse is at least 62 years old.

9.3.1 Beneficiary Payments or Surviving Spouse

The beneficiary of a deceased member will receive a lump sum payout of the account. Spousal beneficiaries may annuitize the DC and Rollover Pre-Tax Contribution funds. Your DC balance must be at least \$5,000 including rollovers in order to annuitize the DC. A beneficiary may elect to have the withdrawal paid in a lump sum, direct rollover to an eligible retirement plan or as a monthly annuity on or after the beneficiary or survivor attains 62 years of age.

Separate elections for DC and Rollover Pre-Tax Contribution balances may be made. A survivor may receive a lump sum payment of the Rollover Pre-Tax Contribution and annuitize the DC.

NOTE: Marriages, regardless of gender, will be recognized.

9.4 Disclaiming a Distribution

Indiana law allows a beneficiary to decline (disclaim) a distribution. The law also decides how the bequest is handled if the beneficiary declines it. For specific information on your situation and to be provided with the state form to complete, contact the Member Service Center at (844) GO-INPRS (844-464-6777).



10.1 Deductions

You can elect to have federal, state, county, and local taxes withheld from your distribution (Defined Contribution, DC and Rollover Pre-Tax Contribution, as applicable) or your monthly benefit payments from MetLife. Mandatory taxes established by some states will automatically be deducted from your disbursement or monthly benefit payments from MetLife.

10.2 Taxation of Defined Contributions

The decision of how to receive the distribution of your PERF My Choice DC and Rollover Pre-Tax Contribution funds can have significant tax implications, and it is recommended that you consult with a tax advisor. CSRs can explain options to you, but cannot offer tax advice.

Any contributions to your DC made with after-tax dollars are considered “tax basis” because you have already paid taxes on those dollars. Mandatory contributions paid by employers were not taxed at the time they were paid. Therefore, they do not create “tax basis”. Upon retirement, any after-tax contribution (tax basis) is reported by INPRS as non-taxable on the IRS Form 1099-R issued to retired members and the IRS. However, it is important to note that the tax basis is recoverable under very specific IRS rules.

You can elect to receive a lump sum distribution of your PERF My Choice Plan. The entire tax basis is recovered in total since there are no recurring payments. However, if it is a partial lump sum and partial annuity, the basis will be split between the two, and the annuity recovery will be based on your age. If you annuitize your PERF My Choice Plan, the basis allocated to the monthly annuity payment is divided up and recovered over a mandatory number of monthly payments, as determined by applicable IRS regulations. Therefore, a portion of each monthly benefit paid to you is non-taxable, for as long as basis remains.

If contributions are received after you have requested a final distribution and the total account balance has been paid, the contribution is accepted, and another distribution is paid as a lump sum as long as it is less than \$1,000. If you were paid a disbursement in error, INPRS will work to restore the money if you subsequently return to work.

This division of the basis is required because the IRS has issued a letter ruling to PERF concluding that the DC and monthly annuity payment payable to you do not constitute separate accounts. The consequence of this ruling is that, upon distribution, basis from contributions to the DC must be partially allocated to the monthly annuity payment through MetLife, as described above.

10.2.1 Tax Withholding

INPRS is required by law to withhold 20 percent for federal income taxes for any non-recurring, taxable lump sum distribution that is paid directly to you.

10.2.2 Tax Forms and Withholding

Each year, INPRS mails 1099-R forms to all members who have taken distribution of PERF My Choice funds by January 31. The 1099-R form is much like a W-2 form. It lists the total amount of benefits received during the year. It also shows the taxable and non-taxable amounts. INPRS can also withhold

federal, state, county, and local taxes. If you did not complete tax withholding forms at the time of your distribution, you may do so at any time.

If you are a monthly annuity recipient, you will receive your tax forms from MetLife.



11.1 Cost of Living Adjustments

Cost of Living Adjustments (COLA) do not apply to My Choice Plan members

11.2 13th Check Annual Supplemental Payment

13th checks do not apply to My Choice Plan members

11.3 Required Minimum Distribution (RMD) Information

The Internal Revenue Service (IRS) requires that if you have an interest in a retirement benefit you must take a Required Minimum Distribution (RMD) from that benefit. [Section 401\(a\)\(9\)](#) of the Internal Revenue code (IRC) requires INPRS to begin making required minimum distributions of your benefit starting by April 1 of the calendar year following the calendar year in which the you attain age 70½ or 72 (depending upon the date the individual reaches age 70½) or terminates employment, whichever date is later. Individuals who turn 70½ on or after January 1, 2020, do not have to take their RMD until age 72.

If the benefit does not begin in a timely fashion, the IRS may impose a 50 percent penalty on you due to a late distribution.

NOTE: Individuals who turn 70½ on or after January 1, 2020, do not have to take their RMD until age 72.

You must complete the online Retirement Application if you:

- Have separated from service.
- Have not begun the distribution process.
- Will be age 70½ by December 31, 2019. The requirements indicated in the first paragraph of this section apply.
- If you reach 70½ on or after January 1, 2020, you do not have to apply for or take your RMD until age 72. The requirements indicated in the first paragraph of this section apply.

If you are vested, you must complete a request for distribution by accessing your account at myINPRSretirement.org; however, one of the following requirements must be met:

- You have less than 5 years of participation in the plan and have separated from service.
- You have deferred receipt of your DC and/or Rollover-Pre-Tax Contribution funds at retirement and will be age 70½ by December 31, pursuant to the requirements discussed above.
- You would have been age 70½ by December 31, pursuant to the requirements discussed above and the surviving spouse did not take a distribution from your DC and/or Rollover-Pre-Tax Contribution funds at the time of your death.

The retirement application must be completed online and submitted to INPRS for processing. You may contact the Member Service Center at 1-844-GO-INPRS (844-464-6777). For TDD call (800) 579-5708. CSRs are available weekdays (excluding weekends and state-designated holidays) from 8 a.m. to 8 p.m. ET.

If INPRS does not receive the retirement application by December 31, and you meet the requirements described in Federal law and above, INPRS will undertake to contact you to set up the RMD for distribution of any retirement and/or contribution funds to which you are entitled.

If you have reached the age requirement of 70½ or 72 as described in the requirements above before submitting the [retirement](#) application, INPRS is required to adjust the benefit for any IRS imposed penalties. See [35 IAC 13-1-1](#) for more detailed information regarding INPRS's RMD process.

11.3.1 Death Benefit Required Minimum Distribution

If you die with a DC account and/or Rollover Pre-Tax Contribution account balance, the designated beneficiary(ies) must receive their distributions within 5 years of the date of death. The beneficiary may take the distribution in a single lump sum or proportionate annual payments over the 5-year period. If the beneficiary may annuitize the amount, then it may be paid over the life expectancy of the beneficiary pursuant to IRS rules.

11.4 Administrative Review

NOTE: This information is only a guide and neither a substitute for, nor intended as, legal advice.

If INPRS staff have answered your questions regarding your account but you disagree with the action or determination, and no alternative resolution is available, you may request administrative review under the Administrative Orders and Procedures Act ([IC 4-21.5](#)). You must have standing as a party or a right to intervention to request administrative review.

11.4.1 Initial Determination

Petition INPRS in the form of a letter to request a review of the action or determination with which you disagree. This letter should specifically state the basis of your disagreement and include sufficient facts so that INPRS administration can make an evaluation and determination. You may include copies of any supporting documents. For a sample format of this member petition, see the [Step 1: Member Petition for Administrative Review of Staff Action/Determination](#) form available on the INPRS website.

Once an evaluation has been completed, you will be notified with an initial determination letter, sent by certified mail. We will detail in the letter our initial determination and provide supporting justification. In addition, we will provide explicit instructions should you want to appeal our initial determination. Indiana law sets forth specific timelines to appeal a decision. Should your appeal be received after the deadline, under Indiana law, the initial determination will become final and you will forfeit any future claims specific to that particular outcome. As noted, many processes and procedures followed by INPRS are statutory, meaning INPRS does not have the discretion to act outside of the law in granting a benefit that federal and/or state law does not permit.

11.4.2 Administrative Law Judge

If you disagree with the initial determination and want to further challenge, you may bring the matter before an Administrative Law Judge (ALJ). To initiate this process, you must file a petition for review with the INPRS Executive Director. The petition for review:

Additional Plan Information

- Must meet the statutory requirements set forth in [IC 4-21.5-3-7\(a\)](#); AND
- Must be filed within 15 days after you have received the written notice of the INPRS initial determination letter. ([IC 4-21.5-3-7\(a\)](#)).

If your petition for review meets the statutory requirements, INPRS will arrange for an administrative hearing of your case, which is similar to a trial in a lawsuit, but is conducted in less formal manner ([IC 4-21.5-3-25\(b\)](#)). You may be represented by counsel, but there is no requirement that you obtain representation. INPRS is not responsible for costs associated with your representation. The ALJ who conducts the review will consider the evidence concerning the administrative action/decision and decide whether INPRS has misinterpreted or misapplied the law and/or acted beyond the scope of its authority in your case.

After an ALJ is selected, you will be notified of the time and place of a pre-hearing conference, ordinarily conducted by conference call between you, INPRS, and the ALJ. The purpose of this conference is for the ALJ to identify and narrow the issues of the case and to set a timeframe for pleadings and discovery. A pleading is a formal document that sets forth allegations, complaints, denials, or defenses. Discovery is the process of learning information and obtaining documents from the other party.

If there are no material facts in dispute and the ALJ believes that the issues involved in the case deal with whether INPRS has applied or interpreted the law correctly, the ALJ may request a party file a motion for summary judgment. This means the ALJ may determine the case based on information submitted to the ALJ in writing. This is a process that speeds up the disposition of the case without the need for an evidentiary hearing where witnesses testify and are cross examined.

If there are material issues of fact, the ALJ will set a date for an evidentiary hearing where each party will call and cross examine witnesses and present other evidence. For a detailed outline of the ALJ review process, see the [General Outline for Administrative Law Judge \(ALJ\) Review](#) available on the INPRS website.

Within 90 days after the conclusion of the administrative hearing, the ALJ will issue a Finding of Facts and Conclusions of Law and written order concerning the action or decision that you are challenging ([IC 4-21.5-3-27](#)). The ALJ's order is then subject to review by the INPRS Executive Director. On behalf of the Board of Trustees, the Executive Director will issue a final order that affirms, modifies, or dissolves the ALJ's order ([IC 4-21.5-3-29\(b\)](#)).

11.4.3 Judicial Review

If you are still in disagreement at the conclusion of the administrative review, you may seek judicial review within 30 days of receipt of the final order ([IC 4-21.5-5](#)). A reviewing court will examine only those disputed issues of fact that appear in the agency record of the appeal. The trial court may not retry the appeal or substitute its judgment for that of agency ([IC 4-21.5-5-11](#)).

See the [Administrative Review Regulations](#) available on the INPRS website for a list of all relevant IAC references.

11.5 Power of Attorney

The fund honors requests and directions from a lawful holder of a Power of Attorney document for you. This individual is known as the attorney-in-fact. The Power of Attorney must grant the attorney-in-fact the

authority to transact business of the type requested. For instance, if the Power of Attorney document grants the attorney-in-fact broad discretion to handle all banking and financial transactions, the fund will accept directions regarding benefit check delivery. If, on the other hand, you grant what is known as a Health Care Power of Attorney, the attorney-in-fact does not have the authority to direct the fund on any matter, even something as simple as an address change.

If you want to name a Power of Attorney for fund business only, without incurring the expense of legal counsel, the fund can provide a [Limited Power of Attorney for Members and Recipients \(State Form 49614\)](#). However, this Power of Attorney applies only to fund business and is not valid for general public use. To receive a copy of this form to be completed and returned to the address on the form, contact the Member Service Center at (844) GO-INPRS (844-464-6777). For TDD call (800) 579-5708. Customer Service Representatives are available weekdays (excluding weekends and state designated holidays) from 8 a.m. to 8 p.m. ET.

If an attorney-in-fact attempts to act on your behalf, the fund will require a copy of the Power of Attorney. If a copy of the Power of Attorney is not in your file, the requested transaction will be denied. The denial will then be returned to the attorney-in-fact, requesting proof of legal authority to act on your behalf.

NOTE: Indiana law has very specific requirements for a Power of Attorney to be valid. Your signature must be witnessed and attested to by a Notary Public. Further, the Notary Public must sign the document along with the attorney's printed name and notarial seal.

11.6 Guardian

The fund honors requests and directions from a legally appointed guardian of your estate.

Before the fund can recognize acts of a guardian, the fund must receive copies of the Letters of Guardianship and/or other official court documents appointing the guardian. Only the guardian of your "estate", the person with the power to handle financial matters (as opposed to the guardian of the "person" who is responsible for your physical well-being), may direct the fund.

Guardians are appointed only when you are declared incompetent by a court of law. Thus, while you are under an active guardianship and unable to act on your own behalf. The fund will not recognize your acts until provided proof that your right to act on your own behalf has been restored.

11.7 Access to Records

11.7.1 Member Records

Your records are confidential by law. INPRS will only release your name and years of service.

INPRS can provide information from your records to you, or to one of the following:

- a guardian,
- a representative of your estate,
- an attorney-in-fact (aka Power of Attorney or POA),
- someone to whom you have given express permission, or

- someone named by a court order.

There are other exceptions to this rule. Contact INPRS if you have a situation other than those outlined herein.

11.7.2 Public Records

You do not need to fill out a request for access to public records to get your information. You can:

- Call (844) GO-INPRS (844-464-6777),
- Email us at questions@inprs.in.gov, or
- Send a written request or stop by in person at:

Indiana Public Retirement System
One North Capitol Avenue, Suite 001
Indianapolis, IN 46204

There are other exceptions to this rule. Contact INPRS if you have a situation other than those outlined herein.

11.8 Confidentiality of Fund Records

Your records are protected by law under [35 IAC 1.2-1-5 and IC 5-10.5-6-4](#). The law outlines INPRS confidentiality rules and allows INPRS, at its discretion, to provide member information to:

- members of the Indiana General Assembly,
- state agencies,
- quasi-governmental agencies,
- any person with the member's written permission, including a Power of Attorney,
- an active member's employer,
- a deceased member's personal representative with Letters Testamentary or a beneficiary, according to a small estate affidavit,
- to follow state or federal law, a subpoena, legal discovery under the Indiana trial rules or Orders and Procedures Act or other court order.

There are other exceptions to this rule. Contact INPRS if you have a situation other than those outlined herein.